Office of Foreign Assets Control

Publication of Russian Harmful Foreign Activities Sanctions Regulations

Determinations

AGENCY: Office of Foreign Assets Control, Treasury.

ACTION: Publication of determinations.

SUMMARY: The Department of the Treasury's Office of Foreign Assets Control (OFAC) is publishing one sectoral determination issued pursuant to an April 15, 2021 Executive order, as well as a category of services determination issued pursuant to an April 6, 2022 Executive order. Each determination was previously issued on OFAC's website.

DATES: The May 19, 2023 Determination Pursuant to Section (1)(a)(i) of Executive Order 14024 was issued on May 19, 2023 and took effect on May 19, 2023. The May 19, 2023 Determination Pursuant to Section (1)(a)(ii) of Executive Order 14071 was issued on May 19, 2023 and takes effect on June 18, 2023.

FOR FURTHER INFORMATION CONTACT: OFAC: Assistant Director for Licensing, 202-622-2480; Assistant Director for Regulatory Affairs, 202-622-4855; or Assistant Director for Compliance, 202-622-2490.

SUPPLEMENTARY INFORMATION:

Electronic Availability

This document and additional information concerning OFAC are available on OFAC's website: www.treas.gov/ofac.

Background

On April 15, 2021, the President, invoking the authority of, *inter alia*, the International Emergency Economic Powers Act (50 U.S.C. 1701 *et seq.*) (IEEPA), issued Executive Order (E.O.) 14024 (86 FR 20249, April 19, 2022). Among other prohibitions,

section 1(a) of E.O. 14024 blocks, with certain exceptions, all property and interests in property that are in the United States, that come within the United States, or that are or come within the possession or control of any U.S. person of, any person determined by the Secretary of the Treasury, in consultation with the Secretary of State: (i) to operate or have operated in the technology sector or the defense and related material sector of the Russian Federation economy, or any other sector of the Russian Federation economy as may be determined by the Secretary of the Treasury, in consultation with the Secretary of State.

On April 6, 2022, the President, invoking the authority of, *inter alia*, IEEPA, issued E.O. 14071, "Prohibiting New Investment in and Certain Services to the Russian Federation in Response to Continued Russian Federation Aggression" (87 FR 20999, April 8, 2022). Among other prohibitions, section 1(a)(ii) of E.O. 14071 prohibits the exportation, reexportation, sale, or supply, directly or indirectly, from the United States, or by a United States person, wherever located, of any category of services as may be determined by the Secretary of the Treasury, in consultation with the Secretary of State, to any person located in the Russian Federation.

On May 19, 2023, pursuant to delegated authority, the Director of OFAC, in consultation with the Department of State, issued a sectoral determination pursuant to E.O. 14024. This determination took effect on May 19, 2023. Also on May 19, 2023, pursuant to delegated authority, the Director of OFAC, in consultation with the Department of State, issued a category of services determination pursuant to E.O. 14071. This determination takes effect at 12:01 a.m. eastern daylight time on June 18, 2023.

The texts of the determinations are below.

OFFICE OF FOREIGN ASSETS CONTROL

DETERMINATION PURSUANT TO SECTION 1(a)(i) OF EXECUTIVE ORDER 14024

Architecture, Engineering, Construction, Manufacturing, and Transportation Sectors of the Russian Federation Economy

Section 1(a)(i) of Executive Order (E.O.) 14024 of April 15, 2021 ("Blocking Property With Respect To Specified Harmful Foreign Activities of the Government of the Russian Federation") imposes economic sanctions on any person determined by the Secretary of the Treasury, in consultation with the Secretary of State, or the Secretary of State, in consultation with the Secretary of the Treasury, to operate or have operated in such sectors of the Russian Federation economy as may be determined by the Secretary of the Treasury, in consultation with the Secretary of State.

To further address the unusual and extraordinary threat to the national security, foreign policy, and economy of the United States described in E.O. 14024, and in consultation with the Department of State and pursuant to 31 CFR § 587.802, I hereby determine that section 1(a)(i) of E.O. 14024 shall apply to the architecture, engineering, construction, manufacturing, and transportation sectors of the Russian Federation economy. Any person determined, pursuant to section 1(a)(i) of E.O. 14024, to operate or have operated in such sectors shall be subject to sanctions pursuant to section 1(a)(i).

This determination shall take effect on May 19, 2023.

Andrea M. Gacki Director Office of Foreign Assets Control

May 19, 2023

OFFICE OF FOREIGN ASSETS CONTROL

DETERMINATION PURSUANT TO SECTION 1(a)(ii) OF EXECUTIVE ORDER 14071

Prohibitions Related to Architecture Services and Engineering Services

Pursuant to sections 1(a)(ii), 1(b), and 5 of Executive Order (E.O.) 14071 of April 6, 2022 ("Prohibiting New Investment in and Certain Services to the Russian Federation

in Response to Continued Russian Federation Aggression") and 31 CFR § 587.802, and in consultation with the Department of State, I hereby determine that the prohibitions in section 1(a)(ii) of E.O. 14071 shall apply to the following categories of services: architecture and engineering. As a result, the following activities are prohibited, except to the extent provided by law, or unless licensed or otherwise authorized by the Office of Foreign Assets Control:

the exportation, reexportation, sale, or supply, directly or indirectly, from the United States, or by a United States person, wherever located, of architecture services or engineering services to any person located in the Russian Federation.

This determination excludes the following:

- (1) any service to an entity located in the Russian Federation that is owned or controlled, directly or indirectly, by a United States person; and
- (2) any service in connection with the wind down or divestiture of an entity located in the Russian Federation that is not owned or controlled, directly or indirectly, by a Russian person.

This determination shall take effect beginning at 12:01 a.m. eastern daylight time on June 18, 2023.

Andrea M. Gacki Director Office of Foreign Assets Control

May 19, 2023

Andrea M. Gacki,

Director, Office of Foreign Assets Control.

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